



October 24, 1955

George:

Herb called and raised the question of the work covered by the new Spica contract. I find that was not too clear in the covering letter sent with the contract requesting your approval. Item 20 of the contract between yourselves and Perkin-Elmer calls for:

"Purchase the services of JGB and the Spica Corporation as consultants in the field of systems engineering and optical design, etc., for \$62,014."

In order to fulfill this item, we placed a purchase order with JGB on 11 March to cover his costs. We have a purchase order of long standing with Boston University for computing machine time. When JGB used these machines for work on our purchase order, the charges were so indicated on BU's bill to us. As of September 1, we have paid a total of \$22,708.09 to JGB and BU. JGB has submitted a bill for his time and expenses in September of \$2,479.85. A final bill from BU has not yet been received. It may be zero for we are not sure that JGB used computing machines on our project in September.

The purchase order with JGB was cancelled as of September 30 and replaced by a new one with Spica Corporation. The new order simply references the contract with Spica and carries a maximum price of \$28,000.

The present contract with Spica references our Contract with you and this covers the work specified in Item 20 of our contract. It does not represent any change in the scope or price of that item. We anticipate an amendment to both our contract and the one to Spica to cover the new work on "C" but it may be a month or so before we are ready to propose on the new work.

I hope this clears up the point which HIM raised.

NEW SUBJECT: The problems in our project raised by the flood at the Perkin-Elmer plant are being met as follows:

1) We are making every effort to discover and define the critical items:

a) A lens for the first "B" camera.

This is covered by the recovery of the prototype which we are trying to clean and reassemble in time for shipment to the West so that the configuration may be delivered on time. This is not a final model or design but will be good enough to use on early tests. It will be replaced by a new lens as soon as possible.

b) Getting back into operation on optical testing.

Present activity is a survey of damage to electron

c) Getting a new 36" built.

Here we are trying to locate particular pieces of glass known to be in stock which agree with the data used by JGB in computing a new formula.

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2) Get back into production.

a) Replacement or repair of production equipment.

Items which cannot be salvaged but are required for immediate production are being replaced without regard to recovery of costs at present. Items which can be rehabilitated are being worked on by all means available, our own production people, manufacturers' service personnel, and local service companies.

We are attempting to borrow some items from manufacturers' stocks while our own equipment is being reworked to expedite start up of work.

3) Replacement of lost materials.

An early inventory of material at hand for our project has indicated small loss. In those cases where losses were known, such as some bearings, motors, electrical components, and other small parts, the parts are being reordered at once.

The general question of recovery of extra costs is not being faced at this moment. We are doing what needs to be done in order to meet the most pressing delivery requirements. We are emphasizing to project engineers the need for good judgment between making deliveries and committing added costs. We plan to take a close look at where we stand about the middle of November. By that time we will have accumulated a good bit of the costs and have definite knowledge of material losses. How these costs may be defrayed will then be our primary problem. But, we will then be in a position to know where we stand.

RMS/dmg

SAPC 2201
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at site}

THIS CONTRACT is entered into as of October 1, 1955 by and between The Perkin-Elmer Corporation, a New York corporation having its principal place of business at Main Avenue, Norwalk, Connecticut (hereinafter referred to as "Perkin-Elmer") and Spica, Inc., a Delaware corporation having its principal place of business at 7 Grove Street, Winchester, Massachusetts (hereinafter referred to as "Spica"). It is the Contract which is incorporated by reference in Perkin-Elmer's Purchase Order 57200 issued to Spica.

57804

1. Services of Spica

Perkin-Elmer has contracted with The United States of America (hereinafter referred to as "the Government"), to take technical and administrative responsibility for certain facilities, supplies and services as set forth in a Contract entered into with the Government as of May 5, 1955, with which Spica is familiar. Spica hereby agrees to furnish the designs for the following optical systems.

- a) 24" f/8 lens of new design
- b) 36" f/10 lens of new design
- c) Long focal length system referred to in letter report of January 14, 1955, as Systems "C."

Spica is to supply the basic optical designs and any modifications thereto required to produce lenses satisfactory for the program described in the same letter report. A final decision as to whether any such lens designs are satisfactory shall remain with Spica. The aforementioned shall include such systems engineering, consultations, follow through, and field trips within the United States as shall be determined by Spica.

Delivery dates for the above designs are as follows:

- a) December 1, 1955
- b) December 1, 1955
- c) April 1, 1956

2. Contract Price

For performance of the services set forth in paragraph 1 above, Perkin-Elmer hereby agrees to pay Spica, as the total contract price, the sum of \$28,000.

3. Payment

Spica shall be paid the contract price upon the submission of properly certified invoices or vouchers, at such rate per month during the term of this contract as it shall select, until the total contract price shall have been paid.

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is a sub under prime
contract.

4. Expenses of Spica

Spica shall, at its own expense and as part of the contract price, provide for the rental of such computers as it shall need for performance of the services called for hereunder. Similarly, Spica shall pay the expenses of its own personnel in connection with travel required, within the continental limits of the United States, in the performance of such services. Spica shall be reimbursed by Perkin-Elmer for travel expenses of Spica personnel outside the continental limits of the United States, where Perkin-Elmer has requested and approved such travel.

5. Changes

The Government may, at any time, by a written order to Perkin-Elmer make changes in or additions to drawings or specifications, issue additional instructions or require modified or additional work or services within the general scope of the contract with Perkin-Elmer. Perkin-Elmer shall notify Spica of any such changes and if they cause an increase or decrease in the cost of, or the time required for, performance of this Contract, an equitable adjustment shall be made in the contract price, or time of performance, or both, and this Contract shall be modified in writing accordingly. Any claim by Spica for adjustment under this Paragraph 5 must be asserted within thirty (30) days from receipt by Spica of the notification of change; provided, however, that Perkin-Elmer, if it decides the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Contract. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the Paragraph 9 of this Contract entitled "Disputes." However, nothing in this Paragraph 5 shall excuse Spica from proceeding with the rendering of services under the contract as changed.

6. Special Security Restrictions

Spica shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this Contract and the work thereunder except as Spica is directed or permitted to reveal such information and notwithstanding any provision of this Contract to the contrary. Spica shall not interpret any provision of this Contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government, without the express consent of Perkin-Elmer.

7. Waiver of Requirements for Security Reasons

Notwithstanding the requirements of any provisions of this Contract, whenever Spica, in the rendering of services hereunder, shall find that the requirements of any of the provisions of this Contract are in conflict with security instructions issued to Spica, Spica shall call the attention of Perkin-Elmer to such conflict and Perkin-Elmer shall (i) modify or rescind such security requirements or (ii) issue to Spica a waiver of compliance with the requirements of the provisions conflicting with such security requirements. Any waiver of compliance with provisions of this Contract issued by Perkin-Elmer shall be in writing.

8. Federal, State and Local Taxes

Except as may be otherwise provided in this Contract, the contract price includes all applicable Federal, State and local direct taxes in effect on the effective date of this contract. The term "direct tax" means any tax or duty directly applicable to the services covered by this Contract or any other tax or duty from which Spica or this transaction is exempt.

9. Disputes

(a) Except as otherwise provided in this Contract, Spica may appeal any decision of Perkin-Elmer or the Contracting Officer concerning a question of fact arising under this Contract, which is not disposed of by agreement, by pursuing any right or remedy which Spica may have at law or in equity in any Court of competent jurisdiction.

(b) Pending a final decision of a dispute hereunder, Spica shall proceed diligently with the performance of the Contract in accordance with the decision of Perkin-Elmer, or where applicable, in accordance with the decision of the Contracting Officer.

10. Default

(a) Perkin-Elmer may, by written Notice of Default to Spica, terminate the whole or any part of this Contract if Spica fails to perform the services within the time specified herein or any extension thereof.

(b) If, after notice of termination of this Contract under the provisions of clause (a) of this Paragraph 10, it is determined that the failure to perform this Contract is due to causes beyond the control and without the fault or negligence of Spica, such Notice of Default shall be deemed to have been issued pursuant to the Paragraph 11 of this Contract entitled "Termination for Convenience," and the rights and obligations of the parties hereto shall in such event be governed by

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14. Filing of Patent Applications

While and so long as the subject matter of this Contract is classified "Secret" or higher, Spica agrees that, before filing or causing to be filed a patent application disclosing any of said subject matter, it will refer the proposed application to Perkin-Elmer for determination whether for reasons of national security, such application should be kept secret or the issuance of a patent thereunder otherwise delayed, under pertinent statutes or regulations; and Spica agrees to observe any instructions given by Perkin-Elmer in this regard, which instructions may include a direction not to file such application so long as Perkin-Elmer considers that such filing would jeopardize national security. If Perkin-Elmer directs Spica not to file such application, Spica may submit to Perkin-Elmer a written request for reconsideration of such direction, but pending action on such request, Spica shall observe such instructions.

While and so long as the subject matter of this Contract is classified "Confidential", Spica agrees to furnish Perkin-Elmer, at the time of or prior to filing or causing to be filed a patent application disclosing any of said subject matter, a copy of such application for determination whether, for reasons of national security, such application should be kept secret or the issuance of a patent thereunder otherwise delayed under pertinent statutes or regulations; and Spica agrees to observe any instructions of Perkin-Elmer in this regard.

15. Patent Rights

(a) As used in this Paragraph 15, the following terms shall have the meanings set forth below:

(i) The term "Subject Invention" means any invention, improvement or discovery (whether or not patentable) conceived or first actually reduced to practice (unless disclosed in a patent application filed prior to beginning the performance hereinafter set forth) either (a) in the performance of the experimental, developmental or research work called for under this Contract, or (b) in the performance of any experimental, developmental or research work relating to the subject matter of this Contract which was done upon the understanding that a contract would be awarded.

(ii) The term "Technical Personnel" means any person employed by or working under contract with Spica, provided that such person, by reason of the nature of his duties in connection with the performance of this Contract, would reasonably be expected to make inventions.

(b) Spica agrees to and does hereby grant to Perkin-Elmer and to the Government an irrevocable, nonexclusive, nontransferable and royalty-free license to practice, and cause to be practiced throughout the world, each Subject Invention in the manufacture, use, and disposition according to law, of any article or material, and in the use of any method; provided, however, that with respect to (i) any Subject Invention made by other than Technical Personnel, (ii) any Subject Invention conceived prior to any performance of this Contract as set forth in paragraph (a) above but first actually reduced to practice in the course of any such performance, and (iii) the practice of any Subject Invention in foreign countries, the said license and other rights hereinafter provided shall be to the extent of Spica's right to grant the same without incurring any obligation to pay royalties or other compensation to others solely on account of said grant. Nothing contained in this clause shall be deemed to grant any license under any invention other than a Subject Invention.

(c) Spica agrees as follows: (i) to make written disclosure promptly to Perkin-Elmer of each Subject Invention which reasonably appears to be patentable and to exert all reasonable effort to make such disclosure not later than six months after first publication, public use or sale; (ii) to specify, at the time of such disclosure, whether or not said Subject Invention has been or will be claimed in a United States patent application and unless it thereafter notifies Perkin-Elmer to the contrary not later than eight (8) months after first publication, public use or sale, to file or cause to be filed in due form and time a United States patent application covering such Subject Invention as specified; (iii) to the extent of Spica's right to do so, to deliver to Perkin-Elmer such duly executed instruments (prepared by Perkin-Elmer) of assignment, application papers and rightful oaths as are necessary to vest in Perkin-Elmer the sole and exclusive ownership of, and the right to apply for and prosecute patent applications covering each Subject Invention which Spica does not specify as aforesaid (or having so specified, thereafter notifies Perkin-Elmer to the contrary), subject, however, to the reservation of a nonexclusive and royalty-free license thereunder to Spica (and to its associated and affiliated companies, if any, within the corporate structure of which Spica is a part), which license shall be assignable to the successor of that part of Spica's business to which it pertains; (iv) to furnish promptly to Perkin-Elmer on request an irrevocable power of attorney to inspect and make copies of each United States patent application as filed by or on behalf of Spica covering any Subject Invention; (v) in the event Spica elects not to continue prosecution of any such United States patent application filed by Spica, to so notify Perkin-Elmer not less than ninety (90) days before the expiration of the response period, and upon written request, to deliver to Perkin-Elmer, to the extent of Spica's right to do so, a duly executed assignment to Perkin-Elmer of the entire rights to such patent application and any Subject Invention claimed therein subject to a reservation as specified in (iii) above; and (vi) to deliver to Perkin-Elmer duly executed instruments fully confirmatory of any license rights herein agreed to be granted to Perkin-Elmer or to the Government. If, to the best of Spica's knowledge and belief, no inventions have been conceived or first actually reduced to practice under this Contract, Spica shall so certify to Perkin-Elmer.

(d) Spica agrees to and does hereby grant to Perkin-Elmer and to the Government, to the full extent of Spica's right to do so without payment of compensation to others, the right to reproduce, use and disclose (including the right to give to foreign governments for their use as the national interest of the United States may demand) all or any part of the reports, drawings, blueprints, data and technical information specified to be delivered by Spica under this Contract; provided, however, that nothing contained in this clause shall be deemed, directly or by implication, to grant any license under any patent now or hereafter issued or to grant any right to reproduce anything else called for by this Contract.

16. Copyright

(a) Spica agrees to and does hereby grant to Perkin-Elmer and to the Government, and to their officers, agents and employees acting within the scope of their duties, (i) a royalty-free, non-exclusive and irrevocable license to reproduce, translate, publish, use and dispose of, and to authorize others so to do, all copyrightable material first produced or composed and delivered under this Contract by Spica, its employees or any individual or concern specifically employed or assigned to originate and prepare such material; and (ii) a license as aforesaid under any and all copyrightable work not first produced or composed by Spica in the performance of this Contract but which is incorporated in the material furnished under the Contract, provided that such license shall be only to the extent Spica now has, or prior to completion or final settlement of the Contract may acquire the right to grant such license without becoming liable to pay compensation to others solely because of such grant.

(b) Spica agrees that it will exert all reasonable effort to advise Perkin-Elmer, at the time of delivering any copyrightable or copyrighted work furnished under this Contract, of any adversely held copyrighted or copyrightable material incorporated in such work and of any invasion of the right of privacy therein contained.

(c) Spica agrees to report to Perkin-Elmer promptly and in reasonable written detail, any notice or claim of copyright infringement received by Spica with respect to any material delivered under this Contract.

17. Military Security Requirements

(a) The provisions of this Paragraph 17 shall apply to the extent that this Contract involves access to security information classified "Top Secret," "Secret", or "Confidential".

(b) Perkin-Elmer shall notify Spica of the security classification of this Contract and the elements thereof, and of any subsequent revisions in such security classification.

(c) To the extent Perkin-Elmer has indicated as of the date of this Contract, or thereafter indicates, security classification under this Contract as provided in clause (b) above, Spica shall safeguard all classified elements of this Contract and shall provide and maintain a system of security controls within its own organization in accordance with the requirements of (i) the Department of Defense Industrial Security Manual for Safeguarding Classified Security Information as in effect on date of this Contract, which Manual is hereby incorporated by reference and made a part of this Contract, (ii) any amendments to said Manual required by the demands of national security as determined by the Government and made after the date of this Contract, notice of which has been furnished to Spica by Perkin-Elmer, and (iii) these provisions of written agreements entered into by the parties pertaining to the adaptation of the Manual to Spica's business.

(d) Designated representatives of the Government responsible for inspection pertaining to industrial security shall have the right to inspect at reasonable intervals the procedures, methods, and facilities utilized by Spica in complying with the requirements of the terms and conditions of this Paragraph 17. Should the Government, through its authorized representative, determine that Spica has not complied with such requirements, Perkin-Elmer shall inform Spica in writing of the proper actions to be taken in order to effect compliance with such requirements.

(e) If, subsequent to the date of this Contract, the security classifications or requirements under this Contract are changed by Perkin-Elmer or the Government as provided in this Paragraph 17, and the security costs under this Contract are thereby increased or decreased, the Contract price shall be subject to an equitable adjustment by reason of such increased or decreased costs. Any equitable adjustment shall be accomplished in the same manner as if such changes were directed under Paragraph 5 in this Contract entitled "Changes".

(f) Spica agrees to insert, in all subcontracts and purchase orders hereunder which involve access to classified security information, provisions which shall conform substantially to the language of this Paragraph 17 including this clause (f) but excluding the last sentence of clause (e) of this Paragraph 17.

(g) Spica also agrees that it shall determine that any subcontractor proposed by it for the furnishing of supplies and services which will involve access to classified security information in Spica's custody has been granted an appropriate facility security clearance, which is still in effect, prior to being accorded access to such classified security information.

18. Government Furnished Property

(a) Perkin-Elmer or the Government may from time to time furnish Spica various items of equipment owned by the Government (hereinafter referred to as "Government furnished property") for use in performance of this

Contract. The parties hereto are to list as Exhibit I to this Contract any such Government-furnished property and Spica is to maintain this listing current and shall submit to Perkin-Elmer periodic revisions of Exhibit I to reflect the revised status of Government-furnished property in possession of Spica and the disposition of such property during the term of this Contract. Spica shall account for all such Government-furnished property at the conclusion of this Contract.

(b) In the event that Government-furnished property of the type suitable for use is to be delivered to Spica in sufficient time to enable Spica to meet performance dates under this Contract and such property is not delivered to Spica by such time or times, Perkin-Elmer shall, if requested by Spica to do so, make a determination of the delay occasioned by Spica thereby, and shall grant to Spica a reasonable extension of time in respect of such performance dates. Perkin-Elmer or the Government shall not be liable to Spica for damages or loss of profit by reason of any delay in delivery of or failure to deliver any or all of the Government-furnished property, except that in case of such delay or failure, upon written request of Spica, an equitable adjustment shall be made in the performance dates, or price, or both, or in any other contractual provision affected thereby, in accordance with the procedures provided for in Paragraph 5 of this Contract entitled "Changes".

(c) By notice in writing Perkin-Elmer may decrease the property furnished or to be furnished by it or the Government under this Contract. In any such case, upon the written request of Spica, an equitable adjustment shall be made in any other contractual provision affected by such decrease, in accordance with the procedures provided for in Paragraph 5 of this Contract entitled "Changes".

(d) Title to Government-furnished property shall remain in the Government. Title to Government-furnished property shall not be affected by the incorporation or attachment thereof to any property not owned by the Government, nor shall such Government-furnished property, or any part thereof, be or become a fixture or lose its identity as personalty by reason of affixation to any realty.

(e) The Government-furnished property shall, unless otherwise provided herein, be used only for the performance of this Contract.

(f) Spica shall maintain and administer, in accordance with sound industrial practice, a program for the maintenance, repair, protection and preservation of Government-furnished property, until disposed of by Spica in accordance with this Paragraph 18. In the event that damaged or defective Government-furnished property is delivered to Spica, or any other damage occurs to Government-furnished property, the risk of which has been assumed by the Government, the Government shall replace such items or Spica shall make such repair of the property as the Government directs; provided, however, that if Spica cannot effect such repair within the time required, Spica may reject such property. The contract price includes no compensation to Spica for the performance of any repair or replacement for which the Government is responsible, and an equitable adjustment will be made in the contract price for any such repair or replacement of Government-furnished property made at the direction of Perkin-Elmer. Any repair or replacement for which Spica

is responsible under the provisions of this Contract shall be accomplished by Spica at its own expense.

(g) (1) Except for loss, destruction or damage resulting from a failure of Spica due to willful misconduct or lack of good faith of any of Spica's managerial personnel as defined herein, to maintain and administer the program for the maintenance, repair, protection and preservation of the Government-furnished property, as required by clause (f) hereof, and except as specifically provided in this contract, Spica shall not be liable for loss or destruction of or damage to the Government-furnished property (A) caused by any peril while the property is in transit off Spica's premises, or (B) caused by any of the following perils while the property is on Spica's or its subcontractor's premises, or on any other premises where such property may properly be located, or by removal therefrom because of any of the following perils:

(I) Fire; lightning; windstorm; cyclone; tornado; hail; explosion; riot, riot attending a strike, civil commotion; vandalism and malicious mischief; sabotage; aircraft or objects falling therefrom; vehicles owned or operated by Spica or any agent or employee of Spica; smoke; sprinkler leakage; earthquake or volcanic eruption; flood, meaning thereby rising of a body of water; hostile or warlike action, including actions in hindering, combating, or defending against an actual, impending or expected attack by any government or sovereign power (de jure or de facto), or by any authority using military, naval, or air forces, or by an agent of any such government, power, authority, or forces; or

(II) Other peril, of a type not listed above, if such other peril is customarily covered by insurance (or by a reserve for self-insurance) in accordance with the normal practice of Spica, or the prevailing practice in the industry in which Spica is engaged with respect to similar property in the same general locale.

The perils as set forth in (A) and (B) above are hereinafter called "excepted perils".

The term "Spica's managerial personnel" as used herein means Spica's directors, officers and any of its managers, superintendents, or other equivalent representatives who have supervision or direction of (I) all or substantially all of Spica's business; (II) all or substantially all of Spica's operation at any one plant or separate location at which this Contract is being performed; (III) a separate and complete major industrial operation in connection with the performance of this Contract.

(ii) Spica represents that it is not including in the contract price, and agrees that it will not hereafter include in any price to the Government, any charge or reserve for insurance (including self-insurance funds or reserves covering loss or destruction of or damage to the Government-furnished property caused by any excepted peril).

(iii) Upon the happening of loss or destruction of or damage to any Government-furnished property caused by an excepted peril, Spica shall notify Perkin-Elmer thereof, and shall take all reasonable steps to protect the Government-furnished property from further damage, separate the damaged and undamaged Government-furnished property in the best possible order, and furnish Perkin-Elmer a statement of: (A) the lost, destroyed and damaged Government-furnished property, (B) the time and origin of the loss, destruction

or damage, (C) all known interests in commingled property of which the Government-furnished property is a part, and (D) the insurance, if any, covering any part of or interest in such commingled property. Spica shall be reimbursed for the expenditures made by it in performing its obligations under this sub-clause (III) to the extent approved by Perkin-Elmer and set forth in a supplemental agreement.

(iv) With the approval of Perkin-Elmer after loss or destruction of or damage to Government-furnished property, and subject to such conditions and limitations as may be imposed by Perkin-Elmer, Spica may, in order to minimize the loss to the Government or in order to permit resumption of business or the like, sell for the account of the Government any item of Government-furnished property which has been damaged beyond practical repair, or which is so commingled or combined with property of others, including Spica, that separation is impracticable.

(v) Except to the extent of any loss or destruction of or damage to Government-furnished property for which Spica is relieved of liability under the foregoing provisions of this Paragraph 18, and except for reasonable wear and tear or depreciation, or the utilization of the Government-furnished property in accordance with the provisions of this Contract, the Government-furnished property (other than property permitted to be sold) shall be returned in as good condition as when received by Spica in connection with this contract, or as repaired under clause (f) above.

(vi) In the event Spica is reimbursed or compensated for any loss or destruction of or damage to the Government-furnished property, caused by an excepted peril, it shall equitably reimburse the Government. Spica shall do nothing to prejudice the Government's right to recover against third parties for any such loss, destruction or damage and, upon the request of Perkin-Elmer, shall at the Government's expense, furnish to the Government all reasonable assistance and cooperation (including the prosecution of suit and the execution of instruments of assignment in favor of the Government) in obtaining recovery.

(h) Perkin-Elmer and the Government shall at all reasonable times have access to the premises wherein any Government-furnished property is located.

(i) Upon the completion of this Contract, or at such earlier dates as may be fixed by Perkin-Elmer, Spica shall submit, in a form acceptable to Perkin-Elmer, inventory schedules covering all items of Government-furnished property not consumed in the performance of this Contract (including any resulting scrap), or not theretofore delivered to the Government, and shall deliver or make such other disposal of such Government-furnished property, as may be directed or authorized by Perkin-Elmer. Recoverable scrap from Government-furnished property shall be reported in accordance with a procedure and in such form as Perkin-Elmer may direct. The net proceeds of any such disposal shall be credited to the contract price or shall be paid in such other manner as Perkin-Elmer may direct.

(j) Directions of Perkin-Elmer and communications of Spica issued pursuant to this Paragraph 18 shall be in writing.

19. Employment of Aliens

No aliens employed by Spica shall be permitted to have access to the plans or specifications, or the work under construction, or to participate in contract trials, without the written consent beforehand of Perkin-Elmer.

20. Convict Labor

In connection with the performance of work under this Contract, Spica agrees not to employ any person undergoing sentence of imprisonment at hard labor.

21. Eight-Hour Law of 1912

This Contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912 as amended (40 U.S. Code 324-326) and is not covered by the Walsh-Healey Public Contracts Act (41 U.S. Code 35-45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912 as amended, and to all other provisions and exceptions of said Law.

No laborer or mechanic doing any part of the work contemplated by this Contract, in the employ of Spica, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this Paragraph 21. The wages of every such laborer and mechanic employed by Spica shall be computed on a basis day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this Paragraph 21, a penalty of five dollars shall be imposed upon Spica for each such laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this Paragraph 21; and all penalties thus imposed shall be withheld for the use and benefit of the Government.

22. Walsh-Healey Public Contracts Act

If this Contract is subject to the Walsh-Healey Public Contracts Act as amended (41 U. S. Code 31-45), there are hereby incorporated by reference all representations and stipulations required by said Act and regulations issued thereunder by the Secretary of Labor, such representations and stipulations being subject to all applicable rulings and interpretations of the Secretary of Labor which are now or may hereafter be in effect, except that Spica shall not be required to include this Paragraph 22 in subcontracts or purchase orders issued hereunder when the inclusion of this Paragraph 22 in a subcontract or purchase order would jeopardize or conflict with the security considerations established in connection with this Contract.

23. Nondiscrimination in Employment

In connection with the performance of work under this Contract, Spica agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following:

employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Spica agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by Perkin-Elmer setting forth the provisions of this Paragraph 23.

Spica further agrees to insert the foregoing provision in subcontracts or purchase orders issued hereunder, except subcontracts or purchase orders for standard commercial supplies or raw materials, and except an insertion of the foregoing provision in a subcontract or purchase order would jeopardize or conflict with the security considerations established in connection with this Contract.

24. Officials Not to Benefit

No member of or delegate to Congress, or resident commissioner shall be admitted to any share or part of this Contract, or to any benefit that may arise therefrom.

25. Covenant Against Contingent Fees

Spica warrants that no person or selling agency has been employed or retained to solicit or secure this Contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by Spica for the purpose of securing business. For breach or violation of this warranty Perkin-Elmer shall have the right to annul this Contract without liability or in its discretion to deduct from the contract price the full amount of such commission, percentage, brokerage or contingent fee.

26. Gratuities

(a) Perkin-Elmer may, by written notice to Spica, terminate the right of Spica to proceed under this Contract if it is found, after notice and hearing, by the Government, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Spica, or any agent or representative of Spica, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performance of such contract; provided, that the existence of the facts upon which the Government makes such findings shall be in issue and may be reviewed in any competent court.

(b) In the event this Contract is terminated as provided in clause (a) hereof, Perkin-Elmer shall be entitled (i) to pursue the same remedies against Spica as it could pursue in the event of a breach of the Contract by Spica, and (ii) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount (as determined by the Government) which shall be not less than three nor more than ten times the costs incurred by Spica in providing any such gratuities to any such officer or employee.

(c) The rights and remedies of Perkin-Elmer provided in this Paragraph 26 shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Contract.

27. Inspection and Audit

Spica agrees that its books and records and its plants, or such part thereof as may be engaged in the performance of this Contract shall at all reasonable times be subject to inspection and audit when and to the extent authorized by Perkin-Elmer.

Spica agrees to include in each of its subcontracts and purchase orders hereunder which is on a cost or cost-plus-a-fixed-fee or a price redetermination basis, or on a time-and-material or labor-hour basis, provision for audit of such subcontracts or purchase orders by Perkin-Elmer.

28. Examination of Records

Spica agrees that Perkin-Elmer or the Government shall, until the expiration of three years after final payment under this Contract, have access to and the right to examine any directly pertinent books, documents, papers and records of Spica involving transactions related to this Contract, including subcontracts hereunder.

29. Renegotiation

This contract shall not be subject either to the provisions of the War Relocation Act as amended and extended (38 U. S. Code 196, and 10 U. S. Code 311) or to any other act of the Congress, whether heretofore or hereafter enacted, providing for the renegotiation of Government contracts.

30. Assignment

Without the written consent of Perkin-Elmer, Spica shall not assign this Contract or any rights herein, except to a successor in ownership to all or substantially all of its business, provided that such successor, by an instrument in writing satisfactory to Perkin-Elmer, shall assume all obligations of Spica hereunder. Except as aforesaid, this Contract is personal to Spica and shall not inure to the benefit of any trustee in bankruptcy, receiver or other successor of Spica.

31. Notice

Any notice required or permitted to be given to or served upon either party hereto pursuant to this Contract shall, unless specifically provided to the contrary under any provision of this Contract, be sufficiently given or served if sent to such party by regular mail addressed to it at its address set forth below, or to such other address as it shall designate by written notice given to the other party, as follows:

In the case of Perkin-Elmer:

The Perkin-Elmer Corporation
Post Office Box 63
Ridgeway Station
Stamford, Connecticut

In the case of Spica:

Spica, Inc.
7 Grove Street
Winchester, Massachusetts

32. Term

Unless sooner terminated or changed as provided herein,
the term of this Contract shall extend to July 31, 1956.

33. Applicable Law

This Contract shall be construed, and the legal relations
between the parties hereto determined, in accordance with the laws of the
State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Contract
to be duly executed as of the day and year first above written.

THE PERKIN-ELMER CORPORATION

BY

Executive Vice-President

(Seal)

Attest:

Secretary

SPICA, INC

BY

Its Executive Vice President

(Seal)

Attest: